CHANDRASHEKHAR MURTHY): (a) The duty on agricultural machinery is as follows:—

(i) Hand tools of the kind used in agriculture attract customs duty at the rate of 35% ad valorem and countervailing duty at the rate of 15% ad valorem.

(ii) Machinery for soil preparation or cultivation; harvesting or thrashing machinery, including straw or fodder balers; grass or hay mowers; germination plants fitted with machanical or thermal equipments; machinery for cleaning, sorting and grading seeds, grains or dried leguminious vegetables attract customs duty at the rate of 25% ad valorem. The countervailing duty on these is Nil.

(iii) Tractors attract customs duty at the rate of 65% ad valorem. The countervailing duty on tractors of engine capacity below 1800cc is Nil while others attract 10% ad valorem.

(b) and (c) The duty structure helps in increasing the availability of domestic agricultural machinery and thus encourage their use in agriculture.

Functioning of Insurance Companies in Andhra Pradesh

6422. SHRI V. HANUMANTHA RAO: Will the Minister of FINANCE be pleased to state:

(a) what are the guidelines issued by Government to Insurance Companies on maintaining proper communication with policy holders;

(b) whether there is any proposal to monitor and check the public dealings of insurance companies in Andhra Pradesh; and

(c) what steps are proposed to be taken to set up a supervisory body to protect the interests of policy holders in Andhra Pradesh?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) and (b) The Government periodically reviews the existing procedures with a view to evolving new strategies for improving the customer services and redressing grievances of the policy holders. The insurance companies have in-built mechanisms for this purpose. The Boards of the companies also review and give guidelines to the companies from time to time in this regard. The Government have advised the insurance companies to organise periodic seminars and workshops to create awareness for ensuring better service to the policy holders. In addition, the Department of Public Grievances and the Ministry of Finance also review specific grievances received from the policyholders among others from time to time with the insurance companies to redress such grievances. All these measures are expected to ensure proper public dealings by the insurance companies all over the country including Andhra Pradesh.

(c) the Committee on Reforms in the Insurance Sector (CRIS) suggested setting up a Supervisory Body on the lines of SEBI. No decision has yet been taken by the Government on this recommendation.

Gujarat Urban Co-operative Banks to Invest in Narmada Project

6423. SHRI AHMED MOHMED BHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether the Gujarat Government has urged the Centre to grant permission to Gujarat Urban Co-operative Banks to invest funds in the Narmada project;

(b) if so, whether the Chief Minister